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## Rule Changes and Reminders

### “Rule of 75” will become “Rule of 80” on July 1, 2010

Beginning July 1, 2010, our “Rule of 75” will become the “Rule of 80.” This means that you can retire when your *age plus earned service credit* equals 80. If you began work for an ERB employer *before* July 1, 2010, you can still retire under the Rule of 75. Anyone who begins employment on July 1, 2010 or later must retire under the Rule of 80. If you retire under this plan, your benefits are reduced if you retire before the age of 60.

### “Rule of 25” will become “Rule of 30”

This may be a combination of earned plus allowed service credit. Visit our website for details on the difference between “Earned Service” and “Allowed Service.” There are no reductions if you retire under this rule.

### “Rule of 65” will become “Rule of 67”

Members must meet the age requirement and have at least five years of earned service.

### Salary “Spiking”

Effective July 1, 2010, a member’s average annual salary, will be computed only on the basis of the annual average of the last five years for which contribution was made or upon the basis of the annual average of any consecutive five years for which contribution was made by the member, whichever is higher. Lump-sum payments made after July 1, 2010, of accrued annual leave will no longer be included in the calculation of the final average salary. This information may influence the retirement date a member selects. Our most current information is posted on our website: <http://www.nmerb.org>.

### Keep NMERB posted about any address changes

Make sure we have your most current address. An incorrect address in our system may result in delays in processing your retirement application, errors when creating or checking your online account or in returned mail. We will be sending

1099 Forms by January 31, 2010, so we want to ensure that these are delivered to you in a timely manner. You may download and print a Change of Address form from our website: <http://www.nmerb.org/pdfs/changeofaddress.pdf>

Once you have completed the Change of Address form, you can drop it in the mail or send via FAX to (505) 827-1855.

*Please note that we must have your signature on the form in order to process your change of address request.*

# QUOTE

Friendship with oneself is all-important, because without it one cannot be friends with anyone else in the world.

*Eleanor Roosevelt*



## Application for Retirement

You can download and print an application for retirement from our website: <http://www.nmerb.org/pdfs/retirementapp.pdf>

In order to prevent a delay in processing your retirement, please check your application for any missing or incomplete information. Missing or incomplete information will require that the application be returned.

We have a comprehensive checklist on our website for both the member and the employer. Please give us a call if you need assistance filling out your application for retirement.

It is important for you to allow a sufficient amount of time for your application to be processed. You should begin the process 60-90 days ahead of your desired retirement date.

# Were you there when...

- 1992** Dow reaches a peak of 381.17 on September 3, prior to the slide and eventual Wall Street crash in October.
- 29** The United States and Canada sign an agreement to protect Niagara Falls.
- 9** The US population reaches 120 million.
- The Academy Awards (the Oscars) are started.
- The soft drink 7up is invented by Charles Leiper Grigg.
- 1939** The Worlds Fair opens in New York, New York.
- LaGuardia Airport opens in New York.
- 39** Regular television broadcasts began in the US.
- Nazi Germany attacks Poland on September 1st, and France, Australia and the United Kingdom declare war on Germany. This is the start of World War II.
- 1949** The first Polaroid Camera sold for \$89.95.
- RCA perfects a system for broadcasting color television.
- 49** The Geneva Convention is agreed upon.
- The Emmy Awards for US Television are first presented.
- The first Volkswagen Beetle, "The People's Car," is sold in the US.
- 1959** Mattel's Barbie Doll is launched.
- Alaska becomes the 49th state of the US.
- Hawaii becomes the 50th state of the US.
- Hudson and Nash join to become AMC, American Motors Association.
- US unemployment reaches 1.4 million.
- 1969** Richard Nixon becomes President of the United States.
- 250,000 march on Washington in protest of the Vietnam War.
- Public Broadcasting Service (PBS) is established.
- Wal-Mart incorporates as Wal-Mart Stores, Inc.
- Woodstock attracts more than 350,000 rock-n-roll fans in Woodstock, NY
- 1979** Margaret Thatcher is elected Prime Minister in the UK.
- SALT II Arms Limitation Talks are signed by the US and USSR.
- Iran oil prices increase around the world and the public began panic buying, making things worse.
- There is a nuclear accident after a fire at a reactor at Three Mile Island in Pennsylvania.
- Sony introduces the Sony Walkman, at a cost of \$200.
- 1989** The Mirage Hotel and Casino opens in Las Vegas as the first grand scale resort hotel
- The first of 24 satellites of the Global Positioning System (GPS) is placed into orbit.
- Nintendo began selling the Game Boy in Japan.
- Scientists pronounce 1989 as the warmest on record, possibly a sign of the greenhouse effect.
- The Berlin Wall comes down.

# Direct Deposit

# Q&A



## What is Direct Deposit?

It is the method the New Mexico Educational Retirement Board uses to pay its members by having their net pay deposited directly into their bank account electronically.

## Why Does ERB Provide Direct Deposit?

ERB provides this service to employees because it is safe, fast and convenient. Deposits are made available to you more quickly than paper checks.

## How Does Direct Deposit Work?

Pension checks are paid on the last working day of the month. For example, the benefit for a July 1 retiree will be mailed on the on the last working day of July. The first few payments will be an estimated amount since the actual earnings from your employer have not been reported to the ERB at the time of your first payment. After the actual earnings are reported, the benefit will be recalculated and adjusted when needed.

ERB pays your retirement benefit through direct deposit into your account at the financial institution of your choice. The first deposit will be mailed to your mailing address in the form of a paper check. Thereafter your benefit payment will be deposited electronically and made available on the last working day of each month in your account.

## Must I Use a Particular Bank?

No. You may have your pay deposited

to the banking institution of your choice. While you may designate only a single account for your net pay, most banking institutions will distribute your net pay from a single checking account into one or more other accounts, such as savings, IRA or loan payment.

## What if I Want to Make a Change?

Simply file a new authorization form. If you want to change the bank and checking account to which your net salary is deposited, check the "CHANGE" block on the "AUTHORIZATION AGREEMENT FOR DIRECT DEPOSIT SERVICES" form and enter the new account number.

Submit the new authorization form to NMERB by mail, or you may bring it in to one of our offices. The direct deposit to your old bank account will start after one pay period. In the interim, you will receive a paper check until the new direct deposit is activated.

## What Can I do to Minimize Problems?

If you change or cancel Direct Deposit, keep your old bank account open until you receive your first check.

## What is the Risk of Error?

The most recent error rate for all Direct Deposit transactions was .01%. That means 99.99% of all Direct Deposit transactions have been problem-free. If you believe an error has occurred, contact our payroll office, which has a record of payments made and the

composition of your net pay.

## Benefits of Direct Deposit

- » Switching from paper checks to Direct Deposit benefits the environment. Every year, paper checks use over 674 million gallons of fuel and add 3.6 million tons of CO<sub>2</sub> to the environment. Imagine the collective difference we make by using Direct Deposit.
- » There are no checks to be lost or stolen.
- » Payments reach your account the day the check is issued -- even if you are out of town, sick or unable to get to your financial institution.
- » Many banks offer free or lower-cost checking for customers with direct deposit because it saves them the cost of processing paper checks.
- » Direct deposit can help you avoid bouncing checks because the deposit is direct and on time.
- » It can save you trips to the bank and help you avoid long lines at tellers or ATMs.
- » The federal government and many employers will deposit your check a day early if the regular payday falls on a holiday.

Jan Goodwin  
Executive Director

Jeff Riggs  
Deputy Director

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# ERB Retirement Seminars

ERB will be holding informational seminars for employees of ERB-affiliated employers. The weekday seminars cover ERB retirement benefits and help

you to make wise decisions considering those benefits. The Saturday seminars include information about Social Security, New Mexico Retiree Health Care benefits, Estate Planning and Financial Planning as well as ERB benefits.



January 9	Saturday	Albuquerque
January 20	Wednesday	Las Vegas
Feb 6	Saturday	Farmington
Feb 20	Saturday	Roswell
Feb 23	Tuesday	Albuquerque
March 5	Friday	Deming
March 6	Saturday	Las Cruces
March 9	Tuesday	Santa Fe
March 24	Wednesday	Los Lunas
April 8	Thursday	Carlsbad
April 9	Friday	Hobbs
April 10	Saturday	Clovis
May 1	Saturday	Albuquerque

Seminar materials, including PowerPoint slides and supporting materials help participants to make the most of their learning time. These seminars are for anyone planning their retirement in the immediate or distant future and spouses and partners are welcome to attend.

Registration is required to attend. You may register online at our website:

Saturday seminars "Ducks in a Row" are from 8.30 am to 12.30 pm <http://www.nmerb.org/seminars.htm>  
Weekday seminars "Intro to Retirement" are from 4.30 pm to 7.30 pm

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**NMERB**

## How to Reach Us

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[www.nmerb.org](http://www.nmerb.org)